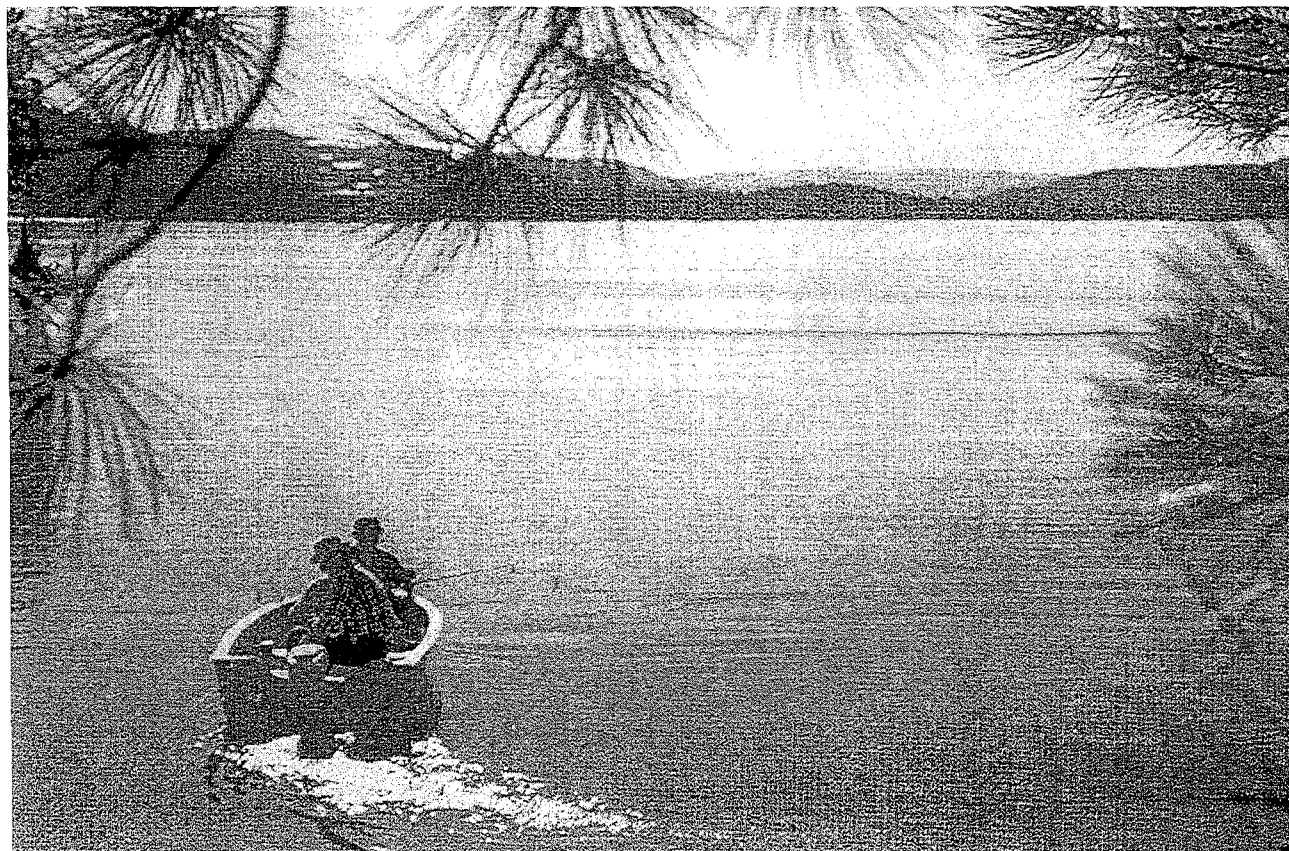


Management of the California State Water Project



Appendix D

Costs of Recreation and Fish and Wildlife Enhancement

GRAY DAVIS, *Governor* STATE OF CALIFORNIA

MARY D. NICHOLS, *Secretary for Resources* THE RESOURCES AGENCY

THOMAS M. HANNIGAN, *Director* DEPARTMENT OF WATER RESOURCES

**Department of Water Resources
Bulletin 132-95**

**Management of the
California State
Water Project**

**Appendix D
Costs of Recreation
and Fish and Wildlife Enhancement**

August 1999

Gray Davis
Governor
State of California

Mary D. Nichols
Secretary for Resources
The Resources Agency

Thomas M. Hannigan
Director
Department of Water Resources


Foreword

The Davis-Dolwig Act (Sections 11900-11925 of the California Water Code) declares that providing for the enhancement of fish and wildlife and for recreation in connection with State water projects benefits all the people of California and that the costs attributable to such enhancement should be borne by them. The Act also provides a procedure through which the Department of Water Resources will be reimbursed for those project costs that are allocated to recreation and fish and wildlife enhancement and for costs of acquiring property for recreation development. The Department is to report such expenditures to the Legislature annually.

This constitutes the Department's report for 1995 to the Legislature in compliance with the above requirement. An increase of \$1,598,746 for recreation and fish and wildlife enhancement is reported herein. The increase consists of \$1,598,852 for joint capital costs of the State Water Project allocated to recreation and fish and wildlife enhancement, and a decrease of \$106 for specific recreation land costs. The increase is the net result of costs incurred for the 1994 calendar year and adjustments to historical expenditures.

Prior to 1991, the Department received \$90,000,000 in reimbursements from the State's tideland oil and gas revenues, which were authorized specifically for costs of recreation and fish and wildlife enhancement (Public Resources Code Section 6217).

Since 1991, the Department has been reimbursed for costs reported in this appendix under the provisions of AB 1442. This legislation offsets moneys owed the California Water Fund by the State Water Project with reimbursements owed the project by the General Fund for recreation and fish and wildlife enhancement costs. (After 1994, Davis-Dolwig expenditures continued to be offset against State Water Project obligations to the California Water Fund until those obligations were repaid. Although this Appendix covers 1994, the offsetting obligation was repaid in 1997.)


Thomas M. Hannigan
Director

State of California
Gray Davis, Governor

The Resources Agency
Mary D. Nichols, Secretary for Resources

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**State of California
The Resources Agency
Department of Water Resources**

CALIFORNIA WATER COMMISSION

Mike Madigan, Chairman, San Diego
Donald C. Cecil, Vice-Chairman, Willows

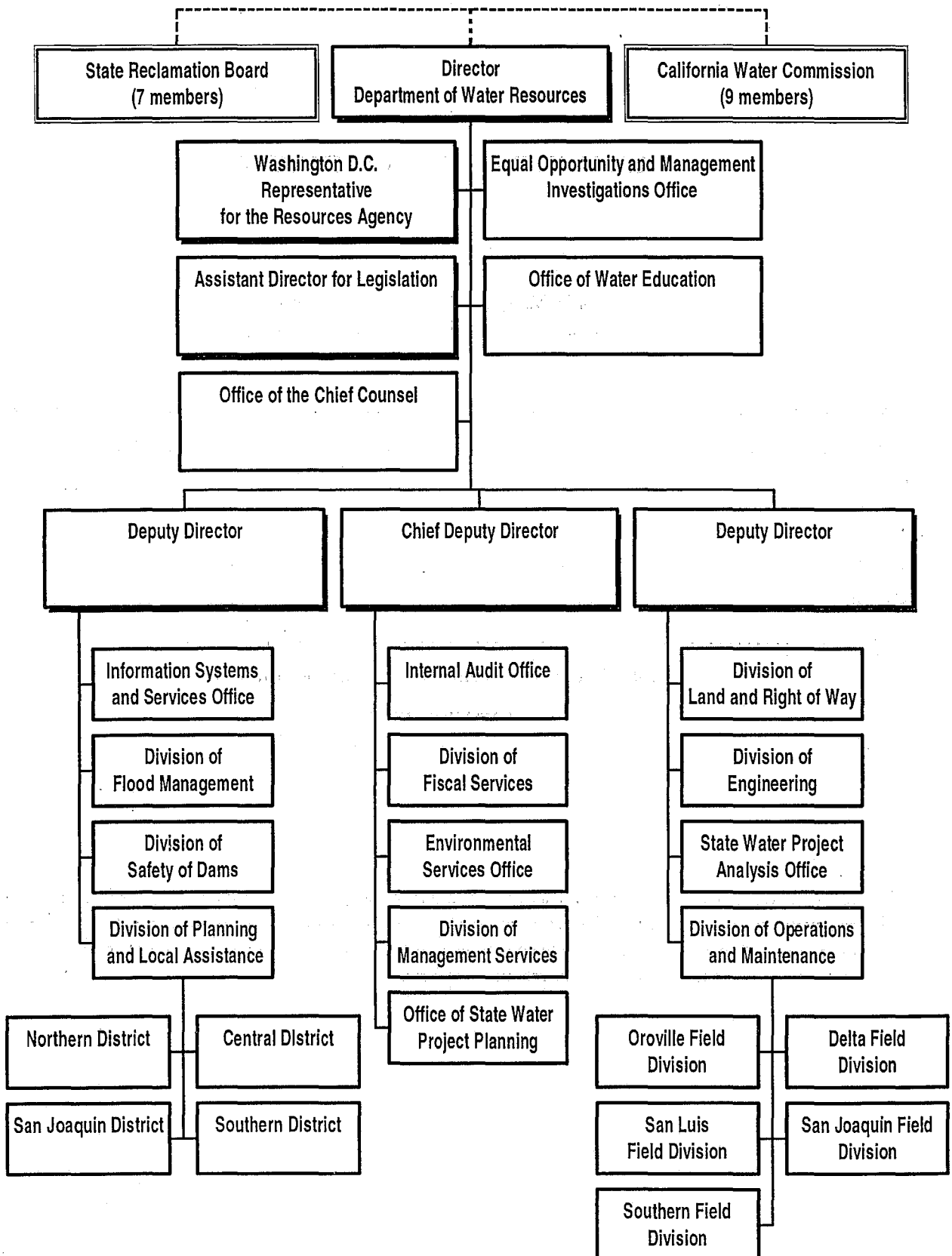
George Gowgani San Luis Obispo
Vacant.....
Vacant.....
Vacant.....
Vacant.....
Vacant.....
Vacant.....

(Note: Vacancies pending appointments by Governor)

Executive Officer
Raymond E. Barsch

The California Water Commission serves as a policy advisory body to the Director of Water Resources on all California water resources matters. The nine-member citizen commission provides a water resources forum for the people of the State, acts as a liaison between the legislative and executive branches of State government, and coordinates federal, State, and local water resources efforts.

Organization of the Department of Water Resources



Reporting of Recreation and Fish and Wildlife Enhancement Costs

Section 11912 of the California Water Code assigns to the Department of Water Resources the following responsibilities:

It shall be the duty of the Department to report annually to the Legislature the costs, if any, which the Department has allocated to recreation and fish and wildlife enhancement for each facility of any state water project. The Department shall also report to the Legislature any revisions which the Department makes in such allocations.

The Department shall submit each such cost allocation to the Department of Boating and Waterways, the Department of Parks and Recreation, and to the Department of Fish and Game. The Department of Boating and Waterways, the Department of Parks and Recreation, and the Department of Fish and Game shall file with the Department of Water Resources their written comments with respect to each such cost allocation, which written comments shall be included in the report required by this section.

It shall also be the duty of the Department to report to the Legislature on any expenditure of funds for acquiring rights of way, easements and property pursuant to Section 346 for recreation development associated with such facilities.

This appendix is the Department's 1995 report, as required by Section 11912 of the California Water Code.

For brevity, "fish and wildlife enhancement" is hereafter referred to as "enhancement." The Department's cost allocations treat recreation and enhancement as one combined purpose of the State Water Project.

Report Organization

Capital costs of SWP facilities allocated by the Department to recreation and enhancement, through December 31, 1994, are shown in Table 1, pages 2 and 3. Table 1 also shows the expenditures for acquiring rights of way, easements, and property for recreation development associated with such facilities. Table 2, pages 6 and 7, details the accrued interest charges through June 30, 1988, included in the costs shown in Table 1. Interest accruals terminate in 1988 in compliance with the offset Legislation. Table 2 also details reimbursements through December 31, 1994.

The notes to Table 1, pages 4 and 5, explain the Department's procedures for reporting recreation and enhancement costs, describe how the amounts shown in the table are calculated, and reconcile significant changes from costs shown in previous reports.

The costs shown in Table 1 do not reflect new or revised allocations for any facility of the SWP. The derivation of allocation percentages indicated for joint capital costs of those multipurpose facilities listed in the upper portion of Table 1 have been described in previous reports. Copies of those reports are available upon request to the Department.

A summary of allocation percentages is shown in a separate table, along with illustrative allocation percentages for facilities not yet reported.

Included at the end of this report are comments by the Department of Boating and Waterways, the Department of Parks and Recreation, and the Department of Fish and Game.

TABLE 1. RECREATION AND ENHANCEMENT

(Reported to the California Legislature in
(in

	1952-1981	1982	1983	1984	1985	1986	1987
	[1]	[2]	[3]	[4]	[5]	[6]	[7]
Joint Capital Costs Allocated to							
Frenchman Dam and Lake (78.5%)							
California Water Resources Development Bond Fund	102,997	0	0	0	0	0	0
All Other Funds	2,527,259	69,404	64,497	2,489	39,556	4,700	1,724
Subtotal	2,630,256	69,404	64,497	2,489	39,556	4,700	1,724
Antelope Dam and Lake (100%)							
California Water Resources Development Bond Fund	1,036,428	0	0	0	0	0	0
All Other Funds	4,047,949	88,787	42,172	47,466	85,010	21,299	9,752
Subtotal	5,084,377	88,787	42,172	47,466	85,010	21,299	9,752
Grizzly Valley Dam and Lake Davis (99.0%)							
California Water Resources Development Bond Fund	4,003,092	0	0	0	0	0	0
All Other Funds	945,773	51,133	27,800	21,533	8,250	14,853	125,952
Subtotal	4,948,865	51,133	27,800	21,533	8,250	14,853	125,952
San Luis Dam and Reservoir O'Neill Forchay and Los Banos Reservoir (3.4%)							
California Water Resources Development Bond Fund	2,025,959	(35,547)	(45,182)	(58,351)	(12,694)	(3,405)	(17,082)
All Other Funds	1,415,728	284,065	140,856	64,688	30,695	23,551	261,644
Subtotal	3,441,687	248,518	95,674	6,337	18,001	20,146	244,562
California Aqueduct Delta to Dos Amigos P.P. (3.4%)							
California Water Resources Development Bond Fund	4,467,667	0	0	0	0	0	0
All Other Funds	1,084,152	140,620	50,731	84,414	36,779	25,389	47,425
Subtotal	5,551,819	140,620	50,731	84,414	36,779	25,389	47,425
Oroville Division (2.9%)							
California Water Resources Development Bond Fund	5,725,262	(28)	(9)	0	0	0	(9)
All Other Funds	4,128,418	19,372	23,003	22,387	21,176	61,616	15,559
Subtotal	9,853,680	19,344	22,994	22,387	21,176	61,616	15,550
Del Valle Dam and Lake Del Valle (48.0%)							
California Water Resources Development Bond Fund	10,546,762	0	0	0	0	0	0
All Other Funds	2,399,739	25,740	79,014	165,408	44,649	17,768	40,674
Subtotal	12,946,501	25,740	79,014	165,408	44,649	17,768	40,674
California Aqueduct Dos Amigos P.P. to Termini (5.7%)							
California Water Resources Development Bond Fund	48,630,767	59,593	20,001	22,363	988	(3,132)	(20,136)
All Other Funds	33,559,038	3,193,380	2,310,318	1,446,755	803,256	521,268	385,229
Subtotal	82,189,805	3,252,973	2,330,319	1,469,118	804,244	518,136	365,093
TOTAL	126,646,990	3,896,519	2,713,201	1,819,152	1,057,665	683,907	850,732
Specific Costs of Acquiring							
Frenchman Dam and Lake							
California Water Resources Development Bond Fund	3,379	0	0	0	0	0	0
All Other Funds	49,947	0	0	0	0	0	0
Subtotal	53,326	0	0	0	0	0	0
Grizzly Valley Dam and Lake Davis							
California Water Resources Development Bond Fund	204,116	0	0	0	0	0	0
All Other Funds	141,743	451,796	2,792	(203,509)	1,216	19,984	9,185
Subtotal	345,859	451,796	2,792	(203,509)	1,216	19,984	9,185
Abbeys Bridge Dam and Reservoir							
California Water Resources Development Bond Fund	9	0	0	0	0	0	0
All Other Funds	9,921	0	0	0	0	0	0
Subtotal	9,930	0	0	0	0	0	0
San Luis Dam and Reservoir O'Neill Forchay and Los Banos Reservoir							
California Water Resources Development Bond Fund	395,284	0	0	0	0	0	0
All Other Funds	267,068	278	187	40	817	44,032	43,422
Subtotal	662,352	278	187	40	817	44,032	43,422
California Aqueduct Delta to Dos Amigos P.P.							
California Water Resources Development Bond Fund	461,086	0	0	0	0	0	0
All Other Funds	187,586	44,919	12,828	(55,443)	(44,376)	(77,137)	(54,566)
Subtotal	648,672	44,919	12,828	(55,443)	(44,376)	(77,137)	(54,566)
Oroville Division							
California Water Resources Development Bond Fund	7,809,621	(86)	(26)	0	0	0	0
All Other Funds	443,501	20,170	41,068	174,752	879	1,779	12,113
Subtotal	8,253,122	20,084	41,042	174,752	879	1,779	12,113
Del Valle Dam and Lake Del Valle							
California Water Resources Development Bond Fund	519,425	0	0	0	0	0	0
All Other Funds	(35,843)	292	499	437	953	931	531
Subtotal	483,582	292	499	437	953	931	531
California Aqueduct Dos Amigos P.P. to Termini							
California Water Resources Development Bond Fund	478,971	0	0	0	0	0	0
All Other Funds	493,736	(11,992)	(13,190)	1,272	(5,007)	(5,658)	(6,401)
Subtotal	972,707	(11,992)	(13,190)	1,272	(5,007)	(5,658)	(6,401)
Castaic Dam and Lake							
California Water Resources Development Bond Fund	1,954,297	0	0	0	0	0	0
All Other Funds	937,745	3,357	6,132	510	564	0	0
Subtotal	2,892,042	3,357	6,132	510	564	0	0
Cedar Springs Dam and Silverwood Lake							
California Water Resources Development Bond Fund	424,966	0	0	0	0	0	0
All Other Funds	344,273	7,529	3,240	885	1,191	1,547	1,452
Subtotal	769,239	7,529	3,240	885	1,191	1,547	1,452
Perris Dam and Lake Perris							
California Water Resources Development Bond Fund	1,022,313	0	0	0	0	0	0
All Other Funds	4,940,258	(279)	0	0	0	0	0
Subtotal	5,962,571	(279)	0	0	0	0	0
TOTAL	21,053,402	515,984	53,530	(81,056)	(43,763)	(14,522)	5,736
Total Recreation and Enhancement Costs							
California Water Resources Development Bond Fund	89,812,401	23,932	(25,216)	(35,988)	(11,706)	(6,537)	(37,227)
All Other Funds	57,887,991	4,388,571	2,791,947	1,774,084	1,025,608	675,922	893,695
Grand Total	147,700,392	4,412,503	2,766,731	1,738,096	1,013,902	669,385	856,468

COSTS OF THE STATE WATER PROJECT (a (b

Response to Water Code Section 11912)
dollars)

1988	1989	1990	1991	1992	1993	1994	TOTAL	INTEREST	TOTAL	PREVIOUS	INCREASE
[8]	[9]	[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]	[18]	[19]
Recreation and Enhancement: (c											
0	0	0	0	0	0	0	102,997	1,903	104,900	104,900	0
2,875	406	2,522	1,223	507	859	1,142	2,719,163	0	2,719,163	2,719,041	122
2,875	406	2,522	1,223	507	859	1,142	2,822,160	1,903	2,824,063	2,823,941	122
0	0	0	0	(45)	404	0	1,036,787	103,939	1,140,726	1,140,801	(75)
4,309	19,207	31,819	35,398	42,198	10,819	1,681	4,487,866	0	4,487,866	4,487,805	61
4,309	19,207	31,819	35,398	42,153	11,223	1,681	5,524,653	103,939	5,628,592	5,628,606	(14)
0	0	0	0	0	0	0	4,003,092	441,502	4,444,594	4,444,594	0
1,130,720	96,805	2,148	137,030	3,182	1,392	1,634	2,568,205	0	2,568,205	2,568,162	43
1,130,720	96,805	2,148	137,030	3,182	1,392	1,634	6,571,297	441,502	7,012,799	7,012,756	43
(14,462)	(125,973)	(14,207)	(6,015)	(607)	(3,154)	(6,086)	1,683,194	297,081	1,980,275	1,987,999	(7,724)
52,202	28,647	31,576	256,521	(12,800)	55,017	95,132	2,727,522	0	2,727,522	2,626,234	101,288
37,740	(97,326)	17,369	250,506	(13,407)	51,863	89,046	4,410,716	297,081	4,707,797	4,614,233	93,564
0	0	0	0	0	0	0	4,467,667	799,684	5,267,351	5,267,351	0
138,415	378,575	814,757	722,536	345,122	156,329	92,788	4,118,032	0	4,118,032	4,045,397	72,635
138,415	378,575	814,757	722,536	345,122	156,329	92,788	8,585,699	799,684	9,385,383	9,312,748	72,635
0	0	0	0	0	0	0	5,725,216	1,835,409	7,560,625	7,560,625	0
21,016	53,166	50,797	42,506	27,967	55,371	29,209	4,571,563	0	4,571,563	4,546,276	25,287
21,016	53,166	50,797	42,506	27,967	55,371	29,209	10,296,779	1,835,409	12,132,188	12,106,901	25,287
0	0	0	0	0	0	0	10,546,762	5,953,867	16,500,629	16,500,629	0
37,946	19,421	67,512	38,748	67,825	65,964	61,085	3,131,493	0	3,131,493	3,068,258	63,235
37,946	19,421	67,512	38,748	67,825	65,964	61,085	13,678,255	5,953,867	19,632,122	19,568,887	63,235
(27,155)	(9,682)	(23,073)	(9,280)	(11,589)	2,227	10,273	48,642,165	67,880,190	116,522,355	116,509,239	13,116
461,423	1,342,315	794,345	993,022	1,944,828	2,116,776	1,397,729	51,269,682	0	51,269,682	49,938,818	1,330,864
434,268	1,332,633	771,272	983,742	1,933,239	2,119,003	1,408,002	99,911,847	67,880,190	167,792,037	166,448,057	1,343,980
1,807,289	1,802,887	1,758,196	2,211,689	2,406,588	2,462,004	1,684,587	151,801,406	77,313,575	229,114,981	227,516,129	1,598,852
Land for Recreation Development: (d											
0	0	0	0	0	0	0	3,379	141	3,520	3,520	0
0	0	0	0	0	0	0	49,947	0	49,947	49,947	0
0	0	0	0	0	0	0	53,326	141	53,467	53,467	0
0	0	0	0	(45)	404	0	204,475	15,948	220,423	220,498	(75)
38	19,037	27,712	33,578	41,265	9,407	0	554,244	0	554,244	554,243	1
38	19,037	27,712	33,578	41,220	9,811	-0	758,719	15,948	774,667	774,741	(74)
0	0	0	0	0	0	0	9	0	9	9	0
0	0	0	0	0	0	0	9,921	0	9,921	9,921	0
0	0	0	0	0	0	0	9,930	0	9,930	9,930	0
0	0	0	0	0	0	0	395,284	30,416	425,700	425,700	0
40,029	19,605	132	0	0	0	0	415,610	0	415,610	415,610	0
40,029	19,605	132	0	0	0	0	810,894	30,416	841,310	841,310	0
0	0	0	0	0	0	0	461,086	142,801	603,887	603,887	0
(41,783)	(47,391)	(53,752)	(8,438)	0	0	0	(137,553)	0	(137,553)	(137,553)	0
(41,783)	(47,391)	(53,752)	(8,438)	0	0	0	323,533	142,801	466,334	466,334	0
0	0	0	0	0	0	0	7,809,509	3,246,345	11,055,854	11,055,854	0
(9,030)	590	(386)	(35,703)	0	0	0	649,733	0	649,733	649,765	(32)
(9,030)	590	(386)	(35,703)	0	0	0	8,459,242	3,246,345	11,705,587	11,705,619	(32)
0	0	0	0	0	0	0	519,425	397,653	917,078	917,078	0
0	0	0	0	0	0	0	(32,200)	0	(32,200)	(32,200)	0
0	0	0	0	0	0	0	487,225	397,653	884,878	884,878	0
0	0	0	0	0	0	0	478,971	350,373	829,344	829,344	0
(7,309)	(47,102)	0	0	0	0	0	398,349	0	398,349	398,349	0
(7,309)	(47,102)	0	0	0	0	0	877,320	350,373	1,227,693	1,227,693	0
0	0	0	0	0	0	0	1,954,297	1,585,943	3,540,240	3,540,240	0
1,139	772	851	1,255	0	0	0	952,325	0	952,325	952,325	0
1,139	772	851	1,255	0	0	0	2,906,622	1,585,943	4,492,565	4,492,565	0
0	0	0	0	0	0	0	424,966	347,376	772,342	772,342	0
3,405	4,571	2,044	49	0	0	0	370,186	0	370,186	370,186	0
3,405	4,571	2,044	49	0	0	0	795,152	347,376	1,142,528	1,142,528	0
0	0	0	0	0	0	0	1,022,313	948,429	1,970,742	1,970,742	0
0	0	0	0	0	0	0	4,939,979	0	4,939,979	4,939,979	0
0	0	0	0	0	0	0	5,962,292	948,429	6,910,721	6,910,721	0
(13,511)	(49,918)	(23,399)	(9,259)	41,220	9,811	0	21,444,255	7,065,425	28,509,680	28,509,786	(106)
(41,617)	(135,655)	(37,280)	(15,295)	(12,286)	(119)	4,187	89,481,594	84,379,000	173,860,594	173,855,352	5,242
1,835,395	1,888,624	1,772,077	2,217,725	2,460,094	2,471,934	1,680,400	83,764,067	0	83,764,067	82,170,563	1,593,504
1,793,778	1,752,969	1,734,797	2,202,430	2,447,808	2,471,815	1,684,587	173,245,661	84,379,000	257,624,661	256,025,915	1,598,746

Notes to Table 1, Pages 2 and 3

a) AB 1442 (Statutes of 1989, Chapter 716) cancels (1) specified obligations of the General Fund to reimburse the State Water Project in the amount of \$172,291,000 for fish and wildlife enhancement and recreation and (2) the obligation of the project to reimburse the California Water Fund in an equal amount. AB 1442 also provides for automatic offset, upon approval by the Legislature, of future Davis-Dolwig expenditures against the remaining State Water Project debt to the California Water Fund.

b) Recreation and enhancement costs refer only to (1) multipurpose facility capital costs allocated to recreation, and (2) the capital costs of lands acquired for associated recreation development. These costs are budgeted by the Department from funds that are available for financing Project construction costs.

Recreation and enhancement costs not reported in Table 1 are budgeted by several State departments. These costs, financed by appropriations from a variety of funds, are summarized in the following table.

Type of Recreation and Enhancement Costs Not Reported in Table 1	General Fund Appropriations, Unless Otherwise Noted		
	1995-1996 ^a	1994-1995 ^b	Total ^c 1962-63 through 1995-96
Allocated operation, maintenance, power, and replacement costs of multipurpose facilities	0 ^d	0 ^d	17,291,000
Capital costs of recreation developments	2,173,000	271,000	107,920,000 ^{e f}
Operation, maintenance, and replacement costs of recreation developments	11,091,000	10,905,000	159,278,000 ^g
^a Amount in Governor's budget. ^b 1994-1995 budgeted amount. ^c Actual through 1993-1994 plus (a and (b). ^d No SWP operation and maintenance costs appropriated. ^e Amounts from State recreation bond funds and other State and federal recreation funds. ^f Includes \$1,236,000 from the Harbors and Watercraft Revolving Fund, and \$200,000 directly from the Highway Users Tax. ^g Operation, maintenance, and replacement costs are budgeted by the Department of Parks and Recreation; boating facility costs are budgeted by the Department of Boating and Waterways; and enhancement costs are budgeted by the Department of Fish and Game.			

Allocated operation, maintenance, power, and replacement costs of multipurpose facilities are budgeted by the Department and financed by annual appropriations from the State General Fund. Capital costs (other than land acquisition costs), along with OMP&R costs of recreation facilities, are budgeted by the Department of Parks and Recreation. However, the costs of constructing boating facilities are budgeted by the Department of Boating and Waterways, and the costs of enhancement developments are budgeted by the Department of Fish and Game.

c) Joint capital costs allocated to recreation and enhancement are based on the Department's derivation, for each multipurpose facility, of the percentages of the total joint costs attributable to each included purpose. These derivations are based on the application of conventional cost allocation methods that weigh the estimated costs to be incurred and the benefits to be realized during a 50-year period of analysis. Allocated costs reflect the application

of these percentages to the actual capital costs incurred for each facility, as accounted by the Department. Costs allocated to recreation and enhancement generally are first reported in the year after that year when construction of a facility is completed. Those costs may be subsequently changed either by adjusting accounted capital costs or by revising allocation percentages.

d) Specific costs of acquiring land for recreation development are incurred by the Department under the authority of California Water Code Section 346. The Department purchases recreation land concurrently with other lands needed for multipurpose facilities to (1) decrease the total land costs of the Project, and (2) acquire property in an orderly manner. Recreation lands acquired for each Project facility through September 30, 1994, are shown in the table on the next page.

Summary of Recreation Land Acquisition ^a (in acres)			
Project Facility	Acquired ^b	Federal Lands ^c	Total
Frenchman Lake	719	0	719
Antelope Lake	1,361	0	1,361
Lake Davis	733	0	733
San Luis Reservoir and O'Neill Forebay	2,518	0	2,518
Oroville Division	3,534	212	3,746
Lake Del Valle	1,206	0	1,206
California Aqueduct (excluding reservoirs)	1,639	0	1,639
Castaic Lake	1,733	577	2,310
Silverwood Lake	305	0	305
Lake Perris	<u>4,127</u>	<u>0</u>	<u>4,127</u>
Total	17,875	789	18,664
^a Includes recreation lands for only those projects with an established recreation land use and acquisition plan. ^b Costs of acquiring these lands are shown in Table 1; additional land needs are to be identified by future studies. ^c These lands are being leased from the federal government at a nominal cost to the State.			

The Department reports the annual expenditure of Project funds for acquiring all recreation land in the year following the expenditure. The costs of such lands generally are established when acquired and are not affected by the allocation percentages for the associated multipurpose Project facility. However, the reported costs of certain lands may be subsequently revised due to (1) receipt of certain revenues (such as federal grants and income from rights of way sales), or (2) modification of the recreation land use plan.

The amounts to be reported in future years will include credits for any reduction in previously reported costs, together with interest income thereon. If recreation land is reclassified as multipurpose project land, the original purchase price, together with appropriate interest income, will be reported as a negative expenditure for specific land costs, and an appropriate amount will be added to joint capital costs allocated to recreation and enhancement for the associated facility.

The costs of acquiring recreation land also include the salaries of department personnel engaged in recreation land acquisition activities, together with indirect costs distributed on the basis of direct salaries.

- e) Interest accruals are calculated as shown in Table 2 (pages 6 and 7). Interest charges are accrued through June 30, 1988 only on the portion of annual disbursements financed by the California Water Resources Development Bond Fund. Calculations are based on the weighted average interest costs of Burns-

Porter and Water System Revenue bonds sold to date (4.613 percent for the bonds outstanding on June 30, 1988).

The Department sold Water System Revenue Bonds to finance additional multipurpose facilities. Interest accruals reported in Table 2 include a portion of the interest costs of these revenue bonds. This rate differs from the "Project Interest Rate" under SWP water supply contracts in that interest costs on power revenue bond sales are not included.

Through fiscal year 1987-88, a total of \$90 million had been reimbursed to the Department from the State's tideland oil and gas revenues, authorized by California Statutes of 1966, First Extraordinary Session, Chapter 27.

AB 1442, the "Offset Legislation" enacted in September 1989, was effective January 1, 1990. Under the Offset Legislation, interest accruals on California Water Resources Development Bond Fund expenditures were terminated on June 30, 1988. This legislation provides for a lump sum reimbursement to the Department for recreation and wildlife enhancement expenditures through June 30, 1988, and offsets moneys owed the California Water Fund by the SWP in the amount of \$172,291,000. Of this amount, \$155,087,000 is for capital expenditures reported herein, and \$17,204,000 for operating costs. AB 1442 also provides for continued reimbursement of annual expenditures subsequent to June 30, 1988 with approval by the Legislature of the Department's cost allocations.

Table 2. Calculation of Interest Accruals on California

(in dollars)

Joint Capital Costs Allocated to Recreation and Enhancement										
		Frenchman Dam and Lake	Antelope Dam and Lake	Grizzly Valley Dam and Lake Davis	Sisk Dam, San Luis Res., O'Neill Forebay, & Los Banos Reservoir	California Aqueduct Delta to Dos Amigos P.P.	Oroville Division	Del Valle Dam and Lake Del Valle	California Aqueduct Dos Amigos P.P. to Termini	Total
Year	Item	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
1952-1990 Disbursements:										
	1. Calif. Water Resources Development Bond Fund	102,997	1,036,428	4,003,092	1,699,056	4,467,667	5,725,216	10,546,762	48,650,534	76,231,752
	2. All Other Funds	2,715,432	4,397,770	2,424,967	2,333,652	2,801,257	4,416,510	2,897,871	44,817,327	66,804,786
	Reimbursements:									
	1. Calif. Water Resources Development Bond Fund	104,900	1,140,367	4,444,594	2,254,713	5,267,351	7,560,634	16,500,629	5,864,224	43,137,412
	2. All Other Funds	2,703,205	4,311,384	1,054,489	1,920,248	1,420,738	4,177,789	2,711,237	0	18,299,090
	Interest Accruals	1,903	103,939	441,502	297,081	799,684	1,835,409	5,953,867	67,880,190	77,313,575
1991 Beginning of Year Balance to be Reimbursed:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(258,576)	0	(9)	0	110,666,500	110,407,915
	2. All Other Funds	12,227	86,386	1,370,478	413,404	1,380,519	238,721	186,634	44,817,327	48,505,696
	Disbursements During Year:									
	1. Calif. Water Resources Development Bond Fund	0	0	0	(6,015)	0	0	0	(9,280)	(15,295)
	2. All Other Funds	1,223	35,398	137,030	256,521	722,536	42,506	38,748	993,022	2,226,984
	Reimbursements per Offset Legislation - AB 1442 1/									
	1. Calif. Water Resources Development Bond Fund	0	0	0	(29,921)	0	(9)	0	110,811,464	110,781,534
	2. All Other Funds	19,888	124,979	1,504,791	642,912	2,070,090	101,618	201,936	45,621,789	50,288,003
	End-of-Year Balance:									
	1. Calif. Water Resources Development Bond Fund	0	0	0	(234,670)	0	0	0	(154,244)	(388,914)
	2. All Other Funds	(6,438)	(3,195)	2,717	27,013	32,965	179,609	23,446	188,560	444,677
1992 Beginning of Year Balance to be Reimbursed:										
	1. Calif. Water Resources Development Bond Fund	0	0	0	(234,670)	0	0	0	(154,244)	(388,914)
	2. All Other Funds	(6,438)	(3,195)	2,717	27,013	32,965	179,609	23,446	188,560	444,677
	Disbursements During Year:									
	1. Calif. Water Resources Development Bond Fund	0	(45)	0	(607)	0	0	0	(11,589)	(12,241)
	2. All Other Funds	507	42,198	3,182	(12,800)	345,122	27,967	67,825	1,944,828	2,418,829
	Reimbursements per Offset Legislation - AB 1442 1/									
	1. Calif. Water Resources Development Bond Fund	0	0	0	(232,325)	0	0	0	(171,211)	(403,536)
	2. All Other Funds	459	43,741	15,424	(19,287)	318,210	7,802	13,684	1,699,103	2,079,136
	End-of-Year Balance:									
	1. Calif. Water Resources Development Bond Fund	0	(45)	0	(2,952)	0	0	0	5,378	2,381
	2. All Other Funds	(6,390)	(4,738)	(9,525)	33,500	59,877	199,774	77,587	434,285	784,370
1993 Beginning of Year Balance to be Reimbursed:										
	1. Calif. Water Resources Development Bond Fund	0	(45)	0	(2,952)	0	0	0	5,378	2,381
	2. All Other Funds	(6,390)	(4,738)	(9,525)	33,500	59,877	199,774	77,587	434,285	784,370
	Disbursements During Year:									
	1. Calif. Water Resources Development Bond Fund	0	404	0	(3,154)	0	0	0	2,227	(523)
	2. All Other Funds	859	10,819	1,392	55,017	156,329	55,371	65,964	2,116,776	2,462,527
	Reimbursements per Offset Legislation - AB 1442 1/									
	1. Calif. Water Resources Development Bond Fund	0	434	0	(4,468)	0	0	0	4,762	728
	2. All Other Funds	(4,511)	7,701	(6,542)	82,361	236,359	259,067	141,401	2,617,926	3,333,762
	End-of-Year Balance:									
	1. Calif. Water Resources Development Bond Fund	0	(75)	0	(1,638)	0	0	0	2,843	1,130
	2. All Other Funds	(1,020)	(1,620)	(1,591)	6,156	(20,153)	(3,922)	2,150	(66,865)	(86,865)
1994 Beginning of Year Balance to be Reimbursed:										
	1. Calif. Water Resources Development Bond Fund	0	(75)	0	(1,638)	0	0	0	2,843	1,130
	2. All Other Funds	(1,020)	(1,620)	(1,591)	6,156	(20,153)	(3,922)	2,150	(66,865)	(86,865)
	Disbursements During Year:									
	1. Calif. Water Resources Development Bond Fund	0	0	0	(6,086)	0	0	0	10,273	4,187
	2. All Other Funds	1,142	1,681	1,634	95,132	92,788	29,209	61,085	1,397,729	1,680,400
	Reimbursements per Offset Legislation - AB 1442 1/									
	1. Calif. Water Resources Development Bond Fund	0	(75)	0	(7,724)	0	0	0	13,116	5,317
	2. All Other Funds	122	61	43	101,288	72,635	25,287	63,235	1,330,864	1,593,535
	End-of-Year Balance:									
	1. Calif. Water Resources Development Bond Fund	0	0	0	0	0	0	0	0	0
	2. All Other Funds	0	0	0	0	0	0	0	0	0
TOTAL ALL YEARS										
	Disbursements:									
	1. Calif. Water Resources Development Bond Fund	102,997	1,036,787	4,003,092	1,683,194	4,467,667	5,725,216	10,546,762	48,642,165	76,207,880
	2. All Other Funds	2,719,163	4,487,866	2,568,205	2,727,522	4,118,032	4,571,563	3,131,493	51,269,682	75,593,526
	TOTAL	2,822,160	5,524,653	6,571,297	4,410,716	8,585,699	10,296,779	13,678,255	99,911,847	151,801,406
	Reimbursements:									
	1. Calif. Water Resources Development Bond Fund	104,900	1,140,726	4,444,594	1,980,275	5,267,351	7,560,625	16,500,629	116,522,355	153,521,455
	2. All Other Funds	2,719,163	4,487,866	2,568,205	2,727,522	4,118,032	4,571,563	3,131,493	51,269,682	75,593,526
	TOTAL	2,824,063	5,628,592	7,012,799	4,707,797	9,385,383	12,132,188	19,632,122	167,792,037	229,114,981
TOTAL INTEREST ACCRUALS 1952 THROUGH 1988		1,903	103,939	441,502	297,081	799,684	1,835,409	5,953,867	67,880,190	77,313,575

1/ AB 1442, the "Offset Legislation", in part, added Section 12929.13 to the California Water Code. Section 7(c) of Section 12929.13 provides \$155,087,000 for unreimbursed expenditures incurred through June 30, 1988. AB 1442 also provides for continued offset of subsequent years expenditures in amended Section 11913(b). Subsequent offsets are: July 1, 1988 - December 31, 1990 \$3,886,193, January 1, 1991 - December 31, 1991 \$1,984,531; and January 1, 1992 - December 31, 1992 \$1,718,464, January 1 - December 31, 1993 \$3,349,727, January 1, 1994 - December 31, 1994 - \$1,598,746.

Water Resources Development Bond Fund Disbursements

@4.613% per annum through 6/88)

Specific Costs of Acquiring Land for Recreation Development

Frenchman Dam and Lake	Grizzly Valley Dam and Lake Davis	Abbey Bridge Dam and Reservoir	Sisk Dam, San Luis Res., O'Neill Forebay, & Los Banos Reservoir	California Aqueduct Delta to Dos Amigos P.P.	Oroville Division	Del Valle Dam and Lake Del Valle	California Aqueduct Dos Amigos P.P. to Termini	Castiac Dam and Lake	Cedar Springs Dam and Silverwood Lake	Perris Dam and Lake Perris	Total	GRAND TOTAL
[10]	[11]	[12]	[13]	[14]	[15]	[16]	[17]	[18]	[19]	[20]	[21]	[22]
3,379	204,116	9	395,284	461,086	7,809,509	519,425	478,971	1,954,297	424,966	1,022,313	13,273,355	89,505,107
49,947	469,994	9,921	415,610	(129,115)	685,436	(32,200)	398,349	951,070	370,137	4,939,979	8,129,128	74,933,914
3,520	220,064	9	425,700	603,887	11,055,854	917,078	829,344	3,540,239	772,342	1,970,719	20,338,756	63,476,168
49,947	394,038	9,921	268,390	145,514	680,370	(33,662)	464,819	948,308	357,118	4,939,979	8,224,742	26,523,832
141	15,948	0	30,416	142,801	3,246,345	397,653	350,373	1,585,943	347,376	948,429	7,065,425	84,379,000
0	0	0	0	0	0	0	0	1	0	23	24	110,407,939
0	75,956	0	147,220	(274,629)	5,066	1,462	(66,470)	2,762	13,019	0	(95,614)	48,410,082
0	0	0	0	0	0	0	0	0	0	0	0	(15,295)
0	33,578	0	0	(8,438)	(35,703)	0	0	1,255	49	0	(9,259)	2,217,725
0	0	0	0	0	0	0	0	1	0	23	24	110,781,558
0	102,567	0	147,220	(283,067)	(30,605)	1,462	(66,470)	3,992	13,064	0	(111,837)	50,176,166
0	0	0	0	0	0	0	0	0	0	0	0	(388,914)
0	6,967	0	0	0	(32)	0	0	25	4	0	6,964	451,641
0	0	0	0	0	0	0	0	0	0	0	0	(388,914)
0	6,967	0	0	0	(32)	0	0	25	4	0	6,964	451,641
0	(45)	0	0	0	0	0	0	0	0	0	(45)	(12,286)
0	41,265	0	0	0	0	0	0	0	0	0	41,265	2,460,094
0	0	0	0	0	0	0	0	0	0	0	0	(403,536)
0	42,834	0	0	0	0	0	0	25	5	0	42,864	2,122,000
0	(45)	0	0	0	0	0	0	0	0	0	(45)	2,336
0	5,398	0	0	0	(32)	0	0	0	(1)	0	5,365	789,735
0	(45)	0	0	0	0	0	0	0	0	0	(45)	2,336
0	5,398	0	0	0	(32)	0	0	0	(1)	0	5,365	789,735
0	404	0	0	0	0	0	0	0	0	0	404	(119)
0	9,407	0	0	0	0	0	0	0	0	0	9,407	2,471,934
0	434	0	0	0	0	0	0	0	0	0	434	1,162
0	14,804	0	0	0	0	0	0	0	(1)	0	14,803	3,348,565
0	(75)	0	0	0	0	0	0	0	0	0	(75)	1,055
0	1	0	0	0	(32)	0	0	0	0	0	(31)	(86,896)
0	(75)	0	0	0	0	0	0	0	0	0	(75)	1,055
0	1	0	0	0	(32)	0	0	0	0	0	(31)	(86,896)
0	0	0	0	0	0	0	0	0	0	0	0	4,187
0	0	0	0	0	0	0	0	0	0	0	0	1,680,400
0	(75)	0	0	0	0	0	0	0	0	0	(75)	5,242
0	1	0	0	0	(32)	0	0	0	0	0	(31)	1,593,504
0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0
3,379	204,475	9	395,284	461,086	7,809,509	519,425	478,971	1,954,297	424,966	1,022,313	13,273,714	89,481,594
49,947	554,244	9,921	415,610	(137,553)	649,733	(32,200)	398,349	952,325	370,186	4,939,979	8,170,541	83,764,067
53,326	758,719	9,930	810,894	323,533	8,459,242	487,225	877,320	2,906,622	795,152	5,962,292	21,444,255	173,245,661
3,520	220,423	9	425,700	603,887	11,055,854	917,078	829,344	3,540,240	772,342	1,970,742	20,339,139	173,860,594
49,947	554,244	9,921	415,610	(137,553)	649,733	(32,200)	398,349	952,325	370,186	4,939,979	8,170,541	83,764,067
53,467	774,667	9,930	841,310	466,334	11,705,587	884,878	1,227,693	4,492,565	1,142,528	6,910,698	28,509,680	257,624,661
141	15,948	0	30,416	142,801	3,246,345	397,653	350,373	1,585,943	347,376	948,429	7,065,425	84,379,000

f) Costs previously reported are as shown in Table 1 (pages 2 and 3) of Appendix D to Bulletin 132-94. Such costs were based on the Department's accounting records as of December 31, 1993.

g) Reasons for cost changes are outlined below:

- Additional disbursements during 1994 for joint capital costs allocated to recreation and enhancement:

\$1,684,000

- Reclassification of historical costs attributable to site relocation of the Project Operations Control Center (112,000)
- Prior year expenditures processed in 1994: 97,000
- Cost Center Adjustments to balance income and expense accounts: (70,000)

Total Change

\$1,599,000

Summary of Allocation Percentages

Each year the Department determines water contractor charges for the SWP based on allocations of costs among purposes of facilities used for more than a single purpose. These determinations are based on

the percentages previously reported to and approved by the Legislature, as well as preliminary estimates for facilities not yet reported. These percentages are summarized in the following table:

(in percent of joint costs of the respective facilities)

Facilities of the State Water Project	Capital Costs of Features Jointly Used			
	Reimbursable Purposes	Nonreimbursable Purposes		Total
	Water Supply and Power Generation	Flood Control	Recreation and Fish and Wildlife Enhancement	
Project Conservation Facilities				
Frenchman Dam and Lake	21.5	0	78.5	100.0
Antelope Dam and Lake	0	0	100.0	100.0
Grizzly Valley Dam and Lake Davis	1.0	0	99.0	100.0
Oroville Division ^a	97.1	0	2.9	100.0
California Aqueduct, Delta to Dos Amigos Pumping Plant	96.6	0	3.4	100.0
Delta Facilities ^b	86.0	0	14.0	100.0
Project Transportation Facilities				
Grizzly Valley Pipeline	100.0	0	0	100.0
North Bay Aqueduct	100.0	0	0	100.0
South Bay Aqueduct:				
Del Valle Dam and Lake Del Valle	25.2	26.8	48.0	100.0
Remainder of South Bay Aqueduct	100.0	0	0	100.0
California Aqueduct, Delta to Dos Amigos Pumping Plant	96.6	0	3.4	100.0
California Aqueduct, Dos Amigos Pumping Plant to Termini excluding the Coastal Branch	94.3	0	5.7	100.0
Coastal Branch	100.0	0	0	100.0
^a Percentages are applicable to Capital Costs of Features Jointly Used, minus Federal Flood Control Payments. ^b Illustrative percentages only, assumed for current project financial and repayment analyses. Note: Percentages shown are those applicable to the costs of the facilities as accounted by the State, or, in the case of Federal-State joint-use facilities (San Luis Facilities), only the State's share of the total cost.				

Comments by
The Department of Boating and Waterways
The Department of Parks and Recreation
and
The Department of Fish and Game

Memorandum

Date : February 20, 1998


To : David N. Kennedy
Director
Department of Water Resources
1416 Ninth Street, A-36
Sacramento, California 95814

From : **Department of Boating and Waterways**

Subject : DWR Bulletin 132-95; Recreation Cost Allocation

The Department of Boating and Waterways (DBW) has reviewed the "draft" bulletin and would like to offer the following comments:

- (A) We would recommend that footnote "f" of the table appearing on page 4 be modified to read: "Includes \$1,236,000 from the Harbors and Watercraft Revolving Fund (boating facility construction costs budgeted by the Department of Boating and Waterways) and \$200,000 directly from the Highway Users Tax."
- (B) The DBW does not cover "operation and maintenance" costs for any recreational boating facilities. Therefore, all references to the DBW should be deleted from footnote "g" of the same table.


Charles F. Raysbrook
Director

Memorandum

Date : DEC 12 1997

To : David N. Kenendy, Director
Department of Water Resources
1416 Ninth Street, Room 1115-1
Sacramento, California 95814

From : Department of Parks and Recreation
Director's Office

Subject : Cost Allocation to Recreation and Fish and
Wildlife Enhancement State Water Project

The Department of Parks and Recreation (DPR) has received the draft to Appendix D, "Cost of Recreation and Fish and Wildlife Enhancement," to your Bulletin 132-95, Management of the California State Water Project."

The DPR, in accordance with California Water Code Section 11912, has reviewed the draft of the report and concludes that since the report contains data from other departments, it would be difficult to verify our cost allocations.

The DPR will assume the figures to be correct and has no further comments.


Donald W. Murphy
Director

Memorandum

To : Mr. David N. Kennedy, Director
Department of Water Resources

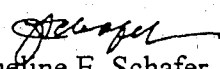
Date : December 30, 1997

From : Department of Fish and Game

Subject : Department of Water Resources Bulletin 132-95, Appendix D - Cost Allocations to Recreation and Fish and Wildlife Enhancement, State Water Project

Thank you for the opportunity to review the referenced document. My staff has reviewed the report and finds that we have no comments.

If you require any further information, please contact Mr. Ronald D. Rempel, Chief, Environmental Services Division, at 654-9980, or Mr. Jim White, Environmental Specialist IV, Environmental Services Division, at 653-3540.


Jacqueline E. Schafer
Director

